

MINUTE ITEM

7/12/66

55. APPROVAL OF THE SEVENTH MODIFICATION OF THE 1966 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, WILMINGTON OIL FIELD, LOS ANGELES COUNTY - W.O. 5200.317.

After consideration of Supplemental Calendar Item 55 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION APPROVES THE SEVENTH MODIFICATION OF THE 1966 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, AS PRESENTED BY THE CITY OF LONG BEACH, PROVIDING FOR VARIOUS CHANGES IN THE 1966 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET AS OUTLINED IN THUMS APPROVAL REQUEST 23-66.

Attachment

Supplemental Calendar Item 55 (1 page)

55.

APPROVAL OF THE SEVENTH MODIFICATION OF THE 1966 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, WILMINGTON OIL FIELD, LOS ANGELES COUNTY - W.O. 5200.317.

The City of Long Beach, pursuant to the provisions of Section 5(g), Chapter 138, Statutes of 1964, 1st E.S., has requested State approval of the Seventh Modification of the 1966 Plan of Development and Operations and Budget for the Long Beach Unit to provide for various changes in and re-evaluation of the 1966 Budget. This modification increases the total budgeted amount and reflects certain changes in budget categories and planning. The provisional changes and modifications include those previously authorized by modification.

It always has been recognized that Budget modifications would be necessary from time to time. For the present case, the original budget was prepared in September 1965, and of necessity contained items of a broad and indefinite character. During the subsequent elapsed time, the Field Contractor, the City of Long Beach, and the State have obtained additional knowledge of 1966 costs and requirements. With this information, it is now possible to make modifications and adjustments to the original Budget so that it more accurately represents actual conditions.

The total Budget amount, after the Seventh Modification is approved, will be \$49,781,000. Although the documents submitted by the Field Contractor to the City of Long Beach indicate that this is the same total figure in the original budget for the year 1966, this is not technically correct. The original 1966 Budget, as submitted by the Field Contractor, was modified by the City Council of Long Beach to delete an item of \$850,000 for shipping pumps and a portion of \$83,000 for operation of these pumps. The 1966 THUMS Budget, as modified by the City Council, was approved by the Commission at its meeting of November 3, 1965.

The Commission's staff and consultants have reviewed the proposed Modification in complete detail. Each stated item has been considered individually and checked both for accuracy and relationship to the original 1966 Plan of Development and Operations and Budget. The Staff finds this proposed Seventh Modification both reasonable and desirable.

IT IS RECOMMENDED THAT THE COMMISSION APPROVE THE SEVENTH MODIFICATION OF THE 1966 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, AS PRESENTED BY THE CITY OF LONG BEACH, PROVIDING FOR VARIOUS CHANGES IN THE 1966 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET AS OUTLINED IN THUMS APPROVAL REQUEST 23-66.